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William F. Canton Acting Secretary Federal Communications Commission Room 222 1919 M Street, N.W. Washington, DC 20554

Re: Ex Parte Filing in MM Docket NO. 92-260

Dear Mr. Canton:

December 20, 1994

Enclosed please find two copies of a letter submitted to Chairman Hundt with respect to the petitions for reconsideration pending in <u>Implementation of the Cable Television Consumer Protection and Competition Act of 1992 (Cable Home Wiring)</u>, MM Docket No. 92-260 for inclusion in such docket.

Sincerely,

John H. Pringle // Senior Vice President

JHP/11

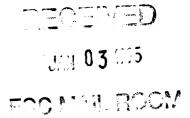
**Enclosures** 

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## EX PARTE OR LATE FILED

December 20, 1994



Chairman Reed E. Hundt Federal Communications Commission 1919 M Street, N.W. Room 814 Washington, DC 20554

Re: MM Docket No. 92-260 (Ex Parte Filing)

Dear Chairman Hundt:

I am writing on behalf of Maxim Property Management with respect to the petitions for reconsideration pending in <u>Implementation of the Cable Television Consumer Protection and Competition Act of 1992 (Cable Home Wiring)</u>, MM Docket No. 92-260. It is our understanding that the Commission is considering whether to take action to resolve the cable home wiring issue in the context of apartments, condominium buildings and other multiunit dwellings ("MDUs").

We operate 13,000 apartment units on behalf of various clients throughout the country who have paid for the installation of cable television wiring in their buildings or have provided free access to cable companies for many years to the residents of our buildings.

In the marketplace, it is typically the MDU owner who selects which multichannel video programming distributor will service the residents of the building. Until recently, most MDU owners had no choice other than the local franchised cable operator and in many areas this remains the case. However, where choice does exist, MDU owners are increasingly faced with claims by the cable franchisee that the home run wiring running from the junction box to the individual tenant units belongs to the cable franchisee. In essence, the MDU owner is then faced with either a lengthy and costly lawsuit over the ownership of the wiring (during which time a switch to an alternative provider cannot take place without the MDU owner risking substantial damage liability) or a complete rewiring of its property by the alternative provider with all of the attendant disruption to property management and the residents and additional aesthetic and other damage to the buildings.

Chairman Reed E. Hundt Page 2 December 20, 1994

In our experience, cable franchisees often do not own the wiring or the wiring has become a fixture. Even in those instances where the cable operator might legitimately claim ownership over the wiring, the cable operator usually refuses to sell the wiring to the MDU owner, despite the fact that the cable operator does not wish to remove the wiring, that the wiring has no alternative use after removal, that it would cost the cable operator more to remove the wiring than to leave it in place and that the cable operator has recouped any costs it incurred through subscription revenues. I short, cable franchisees assert ownership over the wiring as a means of discouraging or blocking the MDU owner's decision to choose an alternative video services provider. Unfortunately, this tactic often works and competition is stifled.

To enable MDU owners the freedom to select a multichannel video programming distributor other than or in addition to the cable franchisee, the rules should require cable operators to sell at a minimum the home run wiring and at a maximum the exterior distribution cable running between buildings within a single apartment complex to the MDU owner upon the owner's request. In this fashion, the wiring would remain in place to serve a succession of residents and the MDU owner, on behalf of the residents, would have the capability to allow one or more multichannel video programming distributors to service the property over the same wiring over time in the marketplace. This solution would promote choice and cooperative entry.

Thank you for your time and attention to this important matter. Finally, I have sent two copies of this letter to the Acting Secretary of the Federal Communications Commission for inclusion in MM Docket No. 92-260.

Sincerely,

John H. Pringle

Senior Vice President

JHP/II